ıe companies mobilising foreign ırrency resources abroad through uro Issues are required mandatorily ) retain the proceeds abroad and to epatriate them into India only as and hen expenditures are incurred on pproved end-uses. Such requirements ave been stipulated with a view to ontain monetary expansion on ccount of inflows from euro issues.

(c) Only Foreign Currency Convertible Bond (FCCB) issues by ndian companies would be regarded s external borrowings till their onvertion into equity, and therefore able to the payment of interest. The ates of interest payable on FCCBs, ıs a rule, are much less than those pplicable to conventional foreign urrency borrowings. Further, vith a view to maintain external lebt within sustainable-levels, FCCBs re presently permitted only on a ery selective basis.

**Simplified Income Tax Scheme**

942. SYED SIBTEY RAZI: Will the Minister of FINANCE be pleased to state:

(a) whether simplified Income Tax Scheme launched by Income Tax Department provides small businessmen, self-employed restaurant owners and Taxi operators to pay Rs. 1400/- per annum using Form 4-A;

(b) if so, the details thereof with eligibility fixed for joining this scheme;

(c) whether the scheme also provides that the persons opting the scheme will not be subjected to any survey, enquiry, examination of accounts and initiating of any proceedings;

(d) whether these provisions also stipulate that any survey, enquiry, examination of accounts relating to past financial performance of persons opting the scheme will not be undertaken;

(e) whether Government have made some arrangements for reporting such incidents with appropriate authority higher than Income Tax Department in case the provisions as in (d) are violated by officials of Income Tax Department; and

(f) if so, the details thereof and if not, reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) The scheme provides that the persons using Form No. 4-A can pay annual tax of Rs. 1400/- on their business income and, if they have income from any other source upto Rs. 5000/-, a further amount of 20% thereof as tax.

(b) The scheme is applicable to individuals and Hindu Undivided Families, not assessed to tax for any assessment year prior to the Assessment year 1992-93, having income from the business of retail trade or of running an eating place or of operating, hiring or leasing a motor cab, a maxicab or a 3-wheeled motor vehicle or engaged in any vocation. The scheme will be applicable if the turnover does not exceed Rs. 5 lakhs and the income does not exceed Rs. 42,000. A person having income from any other source upto Rs. 5000, apart from the income from the small *bona fide* or vocation, is also eligible;

(c) and (d) No survey, enquiry, examination of accounts or initiation of any proceedings will be resorted to either for the current year or for earlier years in the cases of persons covered under the scheme if they are genuinely engaged in the eligible business or vocation and make bonafide declarations;

(e) and (f) The Central Board of Direct Taxes, New Delhi functioning in the Ministry of Finance (Dapartment of Revenue) can be approached if there are any violations.